

**PROPERTY TAX  
Woodbury special tax  
increment financing rules**

February 22, 2022

	Yes	No
DOR Administrative Costs/Savings		X

Department of Revenue  
Analysis of H.F. 2700 (Sandell) / S.F. 2976 (Kent) as introduced

	<b>Fund Impact</b>			
	<b>F.Y. 2022</b>	<b>F.Y. 2023</b>	<b>F.Y. 2024</b>	<b>F.Y. 2025</b>
	(000's)			
General Fund	\$0	\$0	\$0	\$0

Effective following local approval.

**EXPLANATION OF THE BILL**

Under current law, pooling rules require that a certain percentage of tax increments must be spent on activities within each tax increment financing (TIF) district.

The proposal would allow the city of Woodbury to expend increments generated from TIF District No. 13 for the maintenance and facility and infrastructure upgrades to Central Park. These expenditures would be considered activities within the district. Additionally, the proposal would allow the city to extend the duration of the district by five years.

**REVENUE ANALYSIS DETAIL**

- The proposed changes to this special TIF provision may have an impact on the local tax base and tax rate in the future and may result in a small change in property tax refunds paid by the state.

Source: Minnesota Department of Revenue  
Property Tax Division – Research Unit  
<https://www.revenue.state.mn.us/revenue-analyses>

hf2700(sf2976)\_pt\_1/wms